

AFM – Accounting Policy Memo : 2003-2.

Internal Guidance Memo

To: Regional, Center Accounting Offices and Washington Accounting Operations Division, AFM-200.

From: Director, Office of Financial Management, AFM-1

Date: 4/24/2003

Re: Policy pertaining to the use of undelivered orders (UDO's), transactions code 051 in DAFIS, in lieu of accrual transaction code 073 (AEU).

DATE originally distributed: March 26, 2003

Background: This policy applies to all regions, centers and Washington headquarters accounting offices. It applies to travel obligation transactions, including TDY and LOA, immediately, but PCS document types will be effective when DELPHI is implemented. Due to the inability to change current DAFIS PCS reports, FY2003 PCS transactions will continue to be recorded at the AEU stage for the remainder of this year. FAA's previous accounting policy to record travel orders as Accrued Expenditures Unpaid (AEU) because the travel cost is imminent by the time orders are received is being changed. Some offices already use Undelivered Orders (UDO) to record travel estimates, so they will not be affected.

Because of requirements to do three way matching in DELPHI for accrual transactions, i.e., receiving reports and invoices, it has been decided that all travel orders will be recorded in DELPHI at the undelivered order stage (UDO), rather than the accrual stage (AEU). If an AEU transaction is used in DELPHI, accounting offices will be required by the system set up to record a receipt transaction, since travel goes through the payables module.

Effective date: This policy is effective immediately for new TDY and new LOA travel order transactions. PCS travel orders will be recorded in the UDO stage after the DELPHI conversion.

In order to expedite the DELPHI conversion of outstanding travel obligations, we need to standardize the recording of travel encumbrances as undelivered orders. This will also standardize the conversion of these records prior to conversion.

What to do about travel AEU's that may not get paid prior to DELPHI conversion?

Previously recorded travel orders that were entered into DAFIS at the AEU stage should not be reversed, but should be paid (liquidated) from the AEU stage. It is our hope that most travel orders that are on the books today will be paid or de-obligated by August 31, 2003. However, any travel AEU's that may be outstanding at August 31, 2003, should be deobligated from the AEU stage and recorded at the UDO stage in the month of September. AFM will send out a report to monitor, travel AEU's that are outstanding as of August 31, 2003. This information is already available to all accounting offices in the monthly DAFIS reports of outstanding obligations.


for David M. Zavada